LIBRARY
SUPREME COURT, U. S.

Office-Supreme Court, U.S.
FILED
FEB 23 1966
JOHN F. DAVIS, CLERK

IN THE

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1965

No. 915

W. E. GRACE MANUFACTURING COMPANY and
WILLIAM E. GRACE,
Petitioners,

vs.

BROS INCORPORATED,
Respondent.

PETITIONERS' REPLY BRIEF IN SUPPORT OF PETITION FOR WRIT OF CERTIORARI

CHANNING L. RICHARDS
RICHARDS & SHEFTE
303 Attorneys Building
Charlotte, North Carolina 28202
Attorneys for Petitioners

E. L. MERRENHALL, INC., 926 Cherry Street, Kansas City, Mo. 64106, HArrison 1-3030

INDEX

I. The Petition Here Is Submitted to State Exactly the Point of Conflict Between the Fifth and Eighth Circuits 1

II. The Stated Point of Fifth and Eighth Circuit Conflict Is Submitted to Present a Question of Basic Importance to the Maintenance of a Reasonable Certainty in the Operation of the Patent Laws 4

III. The Conflict At Hand Is Submitted to Demonstrate That the Question Presented Can Be Resolved Only by This Court 6

IV. The Collateral Question Was Additionally Presented, As It Was to the Courts Below, for Fear of Possible Waiver Through Omission, but the Question Is Also Submitted Here to Show the Court a Further Point That Is Believed of Special Significance to Orderly Operation of the Federal Rules, Even Though the Point Is Admittedly Collateral 7

Certificate of Service 8

Cases Cited

Application of Foster, No. 347, this Term 7

Bros. Inc. v. *Tampo Mfg. Co.*, Civil Action 2860 (W.D. Texas) 6

Seymour v. *Osborne*, 11 Wall. 516, 555 (1871) 3

Statutes Cited

35 U.S.C. § 102(b) 4, 6, 7

IN THE

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1965

No. 915

W. E. GRACE MANUFACTURING COMPANY and
WILLIAM E. GRACE,
Petitioners,

vs.

BROS INCORPORATED,
Respondent.

PETITIONERS' REPLY BRIEF IN SUPPORT OF PETITION FOR WRIT OF CERTIORARI

I. The Petition Here Is Submitted to State Exactly the Point of Conflict Between the Fifth and Eighth Circuits.

The burden of the respondent-patentee's brief in opposition is that petitioners have failed to define the issue of acknowledged conflict between the Fifth and Eighth Circuits.

There is nothing to this attack on the petition.

When invalidity of respondent's patent (R. 425) was affirmed in the Eighth Circuit (App. 50a) by reason of the printed publication "time-bar" at issue, the Minnesota Dis-

trict Court had recognized that the publication (R. 401) might be said to lack "exact drawings and specifications," and had consequently dealt specifically with extensive argument of the defendant-patentee (the respondent here) challenging the effectiveness of this publication (R. 401) as a "time-bar" because it did not "completely disclose all of the elements of the patent claims" (App. 58a, 66a). What the Minnesota District Court said in answer to such argument was this:

> ". . . . Defendant has listed some eleven features which it contends the pamphlet does not disclose. The list includes such items as the draft beam running the length of the machine, the bearing beams at the lower ends of the recess, the rocker beams support of the recess walls, etc. But all of the items referred to by defendant relate primarily to the bracing of the machine against the stresses to which it would be subjected while in actual operation. It seems apparent that any competent engineer in the industry with the drawings and photographs disclosed in this pamphlet would know the stresses and strains to which the machine would be subjected and would brace the machine accordingly. In other words, the bracing of the machine would be merely the application of ordinary mechanical skill. The essence of the invention, that is, the inventive concept which is the basis for the claims of this patent was fully disclosed by this pamphlet. The denial to an inventor of the fruits of his contribution to the art by reason of the publication of his own catalog more than one year prior to the application for a patent may seem harsh and unyielding, and an issued patent should not be lightly annulled. But the clear language of the statute permits no other finding in the light of the impelling evidence. . . . ." (App. 58a, 66a-67a).

The Eighth Circuit affirmed on the basis of its view that the Minnesota District Court had applied the correct test

for determining the adequacy of a printed publication as a "time-bar"; namely, whether the "knowledge" to be derived from the publication was "sufficient to enable those skilled in the art or science to understand the nature and operation of the invention, and to carry it into practical use" (App. 50a, 55a). As thus stated, the test originated in *Seymour* v. *Osborne*, 11 Wall. 516, 555 (1871), in a context that rang the same theme through several variations, one of which was twice referred to by the Fifth Circuit below (App. 1a, 8a-9a in relation to footnotes 7 and 8).

Evidently, then, the Fifth and Eighth Circuits both recurred to the same first principle. But this circumstance is no sooner noticed than the point of departure and ultimate conflict becomes equally clear, for it is beyond missing that the Fifth Circuit had to refine the first principle specially in order to reach its result below.

The Fifth Circuit refinement takes the form of generalizing an equation between the invention and the patent claim so as to adopt the view that "every element of each patent claim is deemed to be material to the inventive concept" (App. 1a, 9a), and in this way providing a basis for stating specially its test of printed publication "time-bar" adequacy as depending on "whether or not the brochure" (i.e., the publication, R. 401) "discloses structural features and characteristics that are precisely defined in the claims" (App. 1a, 13a).

In such terms, it is submitted to be exactly the question presented by this petition that the Fifth Circuit answered affirmatively in order to justify its reversal of the Texas District Court. Without this specially constructed justification the fact finding by the trial court would have been beyond proper reach just as it was in the Eighth Cir-

cuit, where the question that the petition presents was implicitly answered in the negative. And it is submitted to be exactly in such terms that conflict exists here between the Fifth and Eighth Circuits.

II. The Stated Point of Fifth and Eighth Circuit Conflict Is Submitted to Present a Question of Basic Importance to the Maintenance of a Reasonable Certainty in the Operation of the Patent Laws.

It begs the question to suggest, as the brief in opposition does (at p. 2), that the "vital point of substantive patent law" at issue (App. la, 3a) is simply a matter of whether the Fifth Circuit was right or wrong. Without more the Fifth Circuit result would not call for particular notice in either event.

The "vital point" of conflict that deserves definitive consideration by this Court is whether a Section 102(b) "time-bar" depends on identity with claim limitation detail in accordance with the Fifth Circuit view, or is governed by inventive substance as the Eighth Circuit has held.

It is true that, by way of preface, the Fifth Circuit appears to acknowledge that "the inquiry must be one of substance" and that "the statutory bar is hardly to be confined to the sterile precision of claim jargon" (App. la, 10a). But having thus referred to substance in passing, the Fifth Circuit dismissed all other evidence in favor of an "analysis," by respondent-patentee's expert witness, "demonstrating the limitations imposed during the Patent Office prosecution and the presence or absence of those in the brochure" (App. la. 11a-13a).

There is never a word by the Fifth Circuit to indicate any critical conclusion that the demonstrated claim limitations represent inventive substance. The Fifth Circuit conclusion is simply that the printed publication at issue

(R. 401) does not show precisely what some of the demonstrated limitations recite, and that those limitations not precisely shown must, as a matter of law, be viewed as material and controlling, without regard to their remaining significance in the face of the substantial printed publication showing (R. 401) of the very device that was subsequently patented (R. 425).

On virtually identical records both the Minnesota District Court (App. 58a, 68a) and the Texas District Court below (R. 388) found that there was no remaining significance in the claim limitation detail through which the Fifth Circuit labored (App. la, 13a-17a) to spell out a lack of precise identity with the printed publication (R. 401).

The Eighth Circuit affirmed (App. 50a, 55a) on the ground that it was for the trial court to determine from the evidence whether the printed publication (R. 401) had taught those skilled in the art the substance of what was subsequently patented (R. 425). The Fifth Circuit reversed (App. la, 16a-17a) on the ground that, because claim limitation detail should determine substance in its view, there was no warrant "for disregarding as utterly immaterial those specifically added limitations which were indispensable in securing the allowance of the patent" (App. la, 16a).

The resulting conflict of Fifth and Eighth Circuit views should not be allowed to stand, for there is no practical possibility of workable compromise on middle ground. It would be entirely unrealistic to suppose that a printed publication disclosure was more than rarely apt to appear in precise correspondence with the limitations of subsequently obtained patent claims. Yet printed publications form a principal means by which the skill of the art is continually informed, and from which the art should remain free to draw information and put it to practical use.

But how can such freedom be depended upon without knowing which of the conflicting Fifth and Eighth Circuit views will govern the treatment of subsequently appearing patent claims which pose, by mere appearance, a prima facie basis for restriction.

The Section 102(b) "time-bar" provisions ought not to be left in the uncertain state that is imposed by the present conflict.

III. The Conflict at Hand Is Submitted to Demonstrate That the Question Presented Can Be Resolved Only by This Court.

The brief in opposition concedes (at p. 1) that there is conflict here "on exactly the same basic and critical facts." Something should, therefore, be added concerning the curious result of this conflict over the rule of law that should be applied to the same facts.

The Fifth Circuit action against the defendant-petitioners originated in the Texas District Court at Dallas, where petitioners conduct their manufacturing operations. An additional infringement action by the respondent-patentee is pending in the District Court at San Antonio. *Bros Inc.* v. *Tampo Mfg. Co.*, Civil Action 2860 (W.D. Texas). Of the two, successful, declaratory judgment plaintiffs that were accused of infringement in the Eighth Circuit action (App. 50a), both are also competing manufacturers, and one (Browning) is located at San Antonio, while the other (Shovel Supply) operates at Dallas.

Curious is the least that may be said of the resulting situation. The four Texas manufacturers that have been accused of infringement are a major source for equipment of the patented sort, and they have made the field competitive (R. 147-150). The defendant-petitioners in particular have worried the respondent-patentee pricewise (R.

149). And this competitive activity began in Texas as a matter of course in response to bid invitations from the United States Corps of Engineers (R. 186-191), well before the respondent's patent (R. 425) issued, and when the only information at hand concerning the subsequently patented device was given by the respondent's printed publication (R. 410) at issue here (R. 56-57; R. 191).

Now, however, this competitive source faces the possibility of being cut in half by happenstance. Two of the manufacturers involved are free of respondent's patent (R. 425) because they forehandedly sought relief in the Eighth Circuit, while their respectively neighboring counterparts must deal with the same patent as if it were valid as a result of having waited for action in the Fifth Circuit.

The unevenness of this result can only be corrected by this Court, for the unevenness is representative mischief that will be repeated as long as a choice remains between the conflicting Fifth and Eighth Circuit views of the Section 102(b) "time-bar" provisions. The issue is an important one that has been disturbing Patent Office affairs too, as appears from the current petition in *Application of Foster*, No. 347, this Term, and it ought now to be resolved.

IV. The Collateral Question Was Additionally Presented, As It Was to the Courts Below, for Fear of Possible Waiver Through Omission, but the Question Is Also Submitted Here to Show the Court a Further Point That Is Believed of Special Significance to Orderly Operation of the Federal Rules, Even Though the Point Is Admittedly Collateral.

Because the brief in opposition (at p. 2) views the presented collateral question as "entirely irrelevant," petitioners feel it should be noticed that the Fifth Circuit (App. la, 4a-6a) does not suggest there was ever any rea-

sonable basis for the respondent-patentee's now discredited affidavit activity, and that a confirmation of the always apparent time of publication would not have had to wait over four years for the belated alarm of "the top owner-management of Patentee" (App. la, 5a) if there had been a responsible discovery response in the first place (R. 308-309); but the matter is admittedly collateral and it will not be pressed further here without permission.

Respectfully,

CHANNING L. RICHARDS
Attorney for Petitioners

CERTIFICATE OF SERVICE

Four copies of the foregoing Petitioners' Reply Brief in Support of Petition for Writ of Certiorari have been served on respondent by depositing the same in the United States mails, with first-class postage prepaid, addressed to respondent's attorney, Andrew E. Carlsen, Esq., at 1128 Plymouth Building, Minneapolis, Minnesota, this 23rd day of February, 1966.

CHANNING L. RICHARDS
RICHARDS & SHEFTE
303 Attorneys Building
Charlotte, North Carolina 28202
Attorneys for Petitioners